

CHAPTER 402A

ESSENTIAL HUMAN SERVICES; COUNTY DELIVERY

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STATE-COUNTY RESULTS, ACCOUNTABILITY, AND SERVICE DELIVERY REDESIGN

402A.01 CITATION.

Sections 402A.01 to 402A.50 may be cited as the "State-County Results, Accountability, and Service Delivery Redesign Act."

History: 2009 c 79 art 9 s 1; 2010 c 396 s 6

402A.10 DEFINITIONS.

Subdivision 1. **Terms defined.** For the purposes of this chapter, the terms defined in this section have the meanings given.

Subd. 2. **Commissioner.** "Commissioner" means the commissioner of human services.

Subd. 3. **Council.** "Council" means the State-County Results, Accountability, and Service Delivery Redesign Council established in section 402A.20.

Subd. 4. **Essential human services or essential services.** "Essential human services" or "essential services" means assistance and services to recipients or potential recipients of public welfare and other services delivered by counties or tribes that are mandated in federal and state law that are to be available in all counties of the state.

Subd. 5. **Service delivery authority.** "Service delivery authority" means a single county, or consortium of counties operating by execution of a joint powers agreement under section 471.59 or other contractual agreement, that has voluntarily chosen by resolution of the county board of commissioners to participate in the redesign under this chapter or has been assigned by the commissioner pursuant to section 402A.18. A service delivery authority includes an Indian tribe or group of tribes that have voluntarily chosen by resolution of tribal government to participate in redesign under this chapter.

Subd. 6. **Steering committee.** "Steering committee" means the Steering Committee on Performance and Outcome Reforms.

History: 2009 c 79 art 9 s 2; 1Sp2011 c 9 art 9 s 7,8

402A.15 STEERING COMMITTEE ON PERFORMANCE AND OUTCOME REFORMS.

Subdivision 1. **Duties.** (a) The Steering Committee on Performance and Outcome Reforms

shall develop a uniform process to establish and review performance and outcome standards for all essential human services based on the current level of resources available, and shall develop appropriate reporting measures and a uniform accountability process for responding to a county's or service delivery authority's failure to make adequate progress on achieving performance measures. The accountability process shall focus on the performance measures rather than inflexible implementation requirements.

(b) The steering committee shall:

(1) by November 1, 2009, establish an agreed-upon list of essential services;

(2) by February 15, 2010, develop and recommend to the legislature a uniform, graduated process, in addition to the remedies identified in section 402A.18, for responding to a county's failure to make adequate progress on achieving performance measures; and

(3) by December 15, 2012, for each essential service, make recommendations to the legislature regarding (i) performance measures and goals based on those measures for each essential service, and (ii) a system for reporting on the performance measures and goals. By January 15 of each year starting January 15, 2011, the steering committee shall report its recommendations to the governor and legislative committees with jurisdiction over health and human services. As part of its report, the steering committee shall, as appropriate, recommend statutory provisions, rules and requirements, and reports that should be repealed or eliminated.

(c) As far as possible, the performance measures, reporting system, and funding shall be consistent across program areas. The development of performance measures shall consider the manner in which data will be collected and performance will be reported. The steering committee shall consider state and local administrative costs related to collecting data and reporting outcomes when developing performance measures. The steering committee shall also identify and incorporate federal performance measures in its recommendations for those program areas where federal funding is contingent on meeting federal performance standards. The steering committee shall take into consideration that the goal of implementing changes to program monitoring and reporting the progress toward achieving outcomes is to significantly minimize the cost of administrative requirements and to allow funds freed by reduced administrative expenditures to be used to provide additional services, allow flexibility in service design and management, and focus energies on achieving program and client outcomes.

(d) In making its recommendations, the steering committee shall consider input from the council established in section 402A.20.

(e) The steering committee shall form work groups that include persons who provide or receive essential services and representatives of organizations who advocate on behalf of those persons.

(f) By December 15, 2009, the steering committee shall establish a three-year schedule for completion of its work. The schedule shall be published on the Department of Human Services Web site and reported to the legislative committees with jurisdiction over health and human services. In addition, the commissioner shall post quarterly updates on the progress of the steering committee on the Department of Human Services Web site.

Subd. 2. **Composition.** (a) The steering committee shall include:

(1) the commissioner of human services, or designee, and two additional representatives of the department;

(2) two county commissioners, representative of rural and urban counties, selected by the Association of Minnesota Counties;

(3) two county directors of human services, representative of rural and urban counties, selected by the Minnesota Association of County Social Service Administrators; and

(4) three clients or client advocates representing different populations receiving services from the Department of Human Services, who are appointed by the commissioner.

(b) The commissioner, or designee, and a county commissioner shall serve as cochairs of the committee. The committee shall be convened within 60 days of May 15, 2009.

(c) State agency staff shall serve as informational resources and staff to the steering committee. Statewide county associations may assemble county program data as required.

History: 2009 c 79 art 9 s 3; 1Sp2011 c 9 art 9 s 9

402A.18 COMMISSIONER POWER TO REMEDY FAILURE TO MEET PERFORMANCE OUTCOMES.

Subdivision 1. **Underperforming county; specific service.** If the commissioner determines that a county or service delivery authority is deficient in achieving minimum performance outcomes for a specific essential service, the commissioner may impose the following remedies and adjust state and federal program allocations accordingly:

(1) voluntary incorporation of the administration and operation of the specific essential service with an existing service delivery authority or another county. A service delivery authority or county incorporating an underperforming county shall not be financially liable for the costs associated with remedying performance outcome deficiencies;

(2) mandatory incorporation of the administration and operation of the specific essential service with an existing service delivery authority or another county. A service delivery authority or county incorporating an underperforming county shall not be financially liable for the costs associated with remedying performance outcome deficiencies; or

(3) transfer of authority for program administration and operation of the specific essential service to the commissioner.

Subd. 2. **Underperforming county; more than one-half of services.** If the commissioner determines that a county or service delivery authority is deficient in achieving minimum performance outcomes for more than one-half of the defined essential services, the commissioner may impose the following remedies:

(1) voluntary incorporation of the administration and operation of essential services with an existing service delivery authority or another county. A service delivery authority or county incorporating an underperforming county shall not be financially liable for the costs associated with remedying performance outcome deficiencies;

(2) mandatory incorporation of the administration and operation of essential services with an existing service delivery authority or another county. A service delivery authority or county incorporating an underperforming county shall not be financially liable for the costs associated with remedying performance outcome deficiencies; or

(3) transfer of authority for program administration and operation of essential services to the commissioner.

Subd. 2a. **Financial responsibility of underperforming county.** A county subject to

remedies under subdivision 1 or 2 shall provide to the entity assuming administration of the essential service or essential services the amount of nonfederal and nonstate funding needed to remedy performance outcome deficiencies.

Subd. 3. **Conditions prior to imposing remedies.** Before the commissioner may impose the remedies authorized under this section, the following conditions must be met:

(1) the county or service delivery authority determined by the commissioner to be deficient in achieving minimum performance outcomes has the opportunity, in coordination with the council, to develop a program outcome improvement plan. The program outcome improvement plan must be developed no later than six months from the date of the deficiency determination; and

(2) the council has conducted an assessment of the program outcome improvement plan to determine if the county or service delivery authority has made satisfactory progress toward performance outcomes and has made a recommendation about remedies to the commissioner. The assessment and recommendation must be made to the commissioner within 12 months from the date of the deficiency determination.

History: 2009 c 79 art 9 s 4; 1Sp2011 c 9 art 9 s 10

402A.20 COUNCIL.

Subdivision 1. **Council.** (a) The State-County Results, Accountability, and Service Delivery Redesign Council is established. Appointed council members must be appointed by their respective agencies, associations, or governmental units by November 1, 2009. The council shall be cochaired by the commissioner of human services, or designee, and a county representative from paragraph (b), clause (4) or (5), appointed by the Association of Minnesota Counties. Recommendations of the council must be approved by a majority of the voting council members. The provisions of section 15.059 do not apply to this council, and this council does not expire.

(b) The council must consist of the following members:

(1) two legislators appointed by the speaker of the house, one from the minority and one from the majority;

(2) two legislators appointed by the Senate Rules Committee, one from the majority and one from the minority;

(3) the commissioner of human services, or designee, and three employees from the department;

(4) two county commissioners appointed by the Association of Minnesota Counties;

(5) two county representatives appointed by the Minnesota Association of County Social Service Administrators;

(6) one representative appointed by AFSCME as a nonvoting member; and

(7) one representative appointed by the Teamsters as a nonvoting member.

(c) Administrative support to the council may be provided by the Association of Minnesota Counties and affiliates.

(d) Member agencies and associations are responsible for initial and subsequent appointments to the council.

Subd. 2. **Council duties.** The council shall:

(1) provide review of the service delivery redesign process, including proposed memoranda of understanding to establish a service delivery authority to conduct and administer experimental projects to test new methods and procedures of delivering services;

(2) ensure the consistency of the memorandum of understanding, to the extent appropriate, with other memorandum of understanding entered into by other service delivery authorities;

(3) review and make recommendations on applications from a service delivery authority for waivers of statutory or rule program requirements that are needed for flexibility to determine the most cost-effective means of achieving specified measurable goals in a redesign of human services delivery;

(4) establish a process to take public input on the scope of essential services over which a service delivery authority has jurisdiction;

(5) form work groups as necessary to carry out the duties of the council under the redesign;

(6) serve as a forum for resolving conflicts among participating counties and tribes or between participating counties or tribes and the commissioner of human services, provided nothing in this section is intended to create a formal binding legal process;

(7) engage in the program improvement process established in section 402A.18, subdivision 3; and

(8) identify and recommend incentives for counties and tribes to participate in service delivery authorities.

Subd. 3. **Program evaluation.** By December 15, 2014, the council shall request consideration by the legislative auditor for a reevaluation under section 3.971, subdivision 7, of those aspects of the program evaluation of human services administration reported in January 2007 affected by this chapter.

History: 2009 c 79 art 9 s 5; 1Sp2011 c 9 art 9 s 11

402A.30 [Repealed, 1Sp2011 c 9 art 9 s 19]

402A.35 DESIGNATION OF SERVICE DELIVERY AUTHORITY.

Subdivision 1. **Requirements for establishing a service delivery authority.** (a) A county, tribe, or consortium of counties is eligible to establish a service delivery authority if:

(1) the county, tribe, or consortium of counties is:

(i) a single county with a population of 55,000 or more;

(ii) a consortium of counties with a total combined population of 55,000 or more;

(iii) a consortium of four or more counties in reasonable geographic proximity without regard to population; or

(iv) one or more tribes with a total combined population of 25,000 or more.

The council may recommend that the commissioner of human services exempt a single county, tribe, or consortium of counties from the minimum population standard if the county, tribe, or consortium of counties can demonstrate that it can otherwise meet the requirements of this chapter.

(b) A service delivery authority shall:

(1) comply with current state and federal law, including any existing federal or state performance measures and performance measures under section 402A.15 when they are enacted into law, except where waivers are approved by the commissioner. Nothing in this subdivision requires the establishment of performance measures under section 402A.15 prior to a service delivery authority participating in the service delivery redesign under this chapter;

(2) define the scope of essential services over which the service delivery authority has jurisdiction;

(3) designate a single administrative structure to oversee the delivery of those services included in a proposal for a redesigned service or services and identify a single administrative agent for purposes of contact and communication with the department;

(4) identify the waivers from statutory or rule program requirements that are needed to ensure greater local control and flexibility to determine the most cost-effective means of achieving specified measurable goals that the participating service delivery authority is expected to achieve;

(5) set forth a reasonable level of targeted reductions in overhead and administrative costs for each service delivery authority participating in the service delivery redesign;

(6) set forth the terms under which a county, tribe, or consortium of counties may withdraw from participation. In the case of withdrawal of any or all parties or the dissolution of the service delivery authority, the employees shall continue to be represented by the same exclusive representative or representatives and continue to be covered by the same collective bargaining union agreement until a new agreement is negotiated or the collective bargaining agreement term ends; and

(7) set forth a structure for managing the terms and conditions of employment of the employees as provided in section 402A.40.

(c) Once a county, tribe, or consortium of counties establishes a service delivery authority, no county, tribe, or consortium of counties that is a member of the service delivery authority may participate as a member of any other service delivery authority. The service delivery authority may allow an additional county, a tribe, or a consortium of counties to join the service delivery authority subject to the approval of the council and the commissioner.

(d) Nothing in this chapter precludes local governments from using sections 465.81 and 465.82 to establish procedures for local governments to merge, with the consent of the voters. Nothing in this chapter limits the authority of a county board or tribal council to enter into contractual agreements for services not covered by the provisions of a memorandum of understanding establishing a service delivery authority with other agencies or with other units of government.

Subd. 2. Relief from statutory requirements. (a) Unless otherwise identified in the memorandum of understanding, any county, tribe, or consortium of counties forming a service delivery authority is exempt from the provisions of sections 245.465; 245.4835; 245.4874; 245.492, subdivision 2; 245.4932; 256F.13; 256J.626, subdivision 2, paragraph (b); and 256M.30.

(b) This subdivision does not preclude any county, tribe, or consortium of counties forming a service delivery authority from requesting additional waivers from statutory and rule requirements to ensure greater local control and flexibility.

Subd. 3. Duties. The service delivery authority shall:

(1) within the scope of essential services set forth in the memorandum of understanding establishing the authority, carry out the responsibilities required of local agencies under chapter 393 and human services boards under chapter 402;

(2) manage the public resources devoted to human services and other public services delivered or purchased by the counties or tribes that are subsidized or regulated by the Department of Human Services under chapters 245 to 261;

(3) employ staff to assist in carrying out its duties;

(4) develop and maintain a continuity of operations plan to ensure the continued operation or resumption of essential human services functions in the event of any business interruption according to local, state, and federal emergency planning requirements;

(5) receive and expend funds received for the redesign process under the memorandum of understanding;

(6) plan and deliver services directly or through contract with other governmental, tribal, or nongovernmental providers;

(7) rent, purchase, sell, and otherwise dispose of real and personal property as necessary to carry out the redesign; and

(8) carry out any other service designated as a responsibility of a county.

Subd. 4. Process for establishing a service delivery authority. (a) The county, tribe, or consortium of counties meeting the requirements of section 402A.30 and proposing to establish a service delivery authority shall present to the council:

(1) in conjunction with the commissioner, a proposed memorandum of understanding meeting the requirements of subdivision 1, paragraph (b), and outlining:

(i) the details of the proposal;

(ii) the state, tribal, and local resources, which may include, but are not limited to, funding, administrative and technology support, and other requirements necessary for the service delivery authority; and

(iii) the relief available to the service delivery authority if the resource commitments identified in item (ii) are not met; and

(2) a board resolution from the board of commissioners of each participating county stating the county's intent to participate, or in the case of a tribe, a resolution from tribal government, stating the tribe's intent to participate.

(b) After the council has considered and recommended approval of a proposed memorandum of understanding, the commissioner may finalize and execute the memorandum of understanding.

Subd. 5. Commissioner authority to seek waivers. The commissioner may use the authority under section 256.01, subdivision 2, paragraph (1), to grant waivers identified as part of a proposed service delivery authority under subdivision 1, paragraph (b), clause (4), except that waivers granted under this section must be approved by the council under section 402A.20 rather than the Legislative Advisory Committee.

History: *1Sp2011 c 9 art 9 s 12*

402A.40 TRANSITION TO NEW BARGAINING UNIT STRUCTURE.

Subdivision 1. Application of section. Notwithstanding the provisions of section 179A.12

or any other law, this section governs, where contrary to other law, the initial certification and decertification, if any, of exclusive representatives for service delivery authorities. Employees of a service delivery authority are public employees under section 179A.03, subdivision 14. Service delivery authorities are public employers under section 179A.03, subdivision 15.

Subd. 2. Existing majority. The commissioner of the Minnesota Bureau of Mediation Services shall certify an employee organization for employees of a service delivery authority as exclusive representative for an appropriate unit upon a petition filed with the commissioner by the organization demonstrating that the petitioner is certified pursuant to section 179A.12 as the exclusive representative of a majority of the employees included within the unit as of that date. Two or more employee organizations that represent the employees in a unit may petition jointly under this subdivision, provided that any organization may withdraw from a joint certification in favor of the remaining organizations on 30 days' notice to the remaining organizations, the employer, and the commissioner, without affecting the rights and obligations of the remaining organizations or the employer. The commissioner shall make a determination on a timely petition within 45 days of its receipt.

Subd. 3. No existing majority. (a) If no exclusive representative is certified under subdivision 2, the commissioner shall certify an employee organization as exclusive representative for an appropriate unit established upon a petition filed by the organization within the time period provided in subdivision 2 demonstrating that the petitioner is certified under section 179A.12 as the exclusive representative of fewer than a majority of the employees included within the unit if no other employee organization so certified has filed a petition within the time period provided in subdivision 2 and a majority of the employees in the unit are represented by employee organizations under section 179A.12 on the date of the petition. Two or more employee organizations, each of which represents employees included in the unit may petition jointly under this paragraph, provided that any organization may withdraw from a joint certification in favor of the remaining organizations on 30 days' notice to the remaining organizations, the employer, and the commissioner without affecting the rights and obligations of the remaining organizations or the employer. The commissioner shall make a determination on a timely petition within 45 days of its receipt.

(b) If no exclusive representative is certified under paragraph (a) or subdivision 2, and an employee organization petitions the commissioner within 90 days of the creation of the service delivery authority demonstrating that a majority of the employees included within an appropriate unit wish to be represented by the petitioner, where this majority is evidenced by current dues deduction rights, signed statements from employees in counties within the service delivery authority that are not currently represented by any employee organization plainly indicating that the signatories wish to be represented for collective bargaining purposes by the petitioner rather than by any other organization, or a combination of those, the commissioner shall certify the petitioner as exclusive representative of the employees in the unit. The commissioner shall make a determination on a timely petition within 45 days of its receipt.

(c) If no exclusive representative is certified under paragraph (a) or (b) or subdivision 2, and an employee organization petitions the commissioner subsequent to the creation of the service delivery authority demonstrating that at least 30 percent of the employees included within an appropriate unit wish to be represented by the petitioner, where this 30 percent is evidenced by current dues deduction rights, signed statements from employees in counties within the service delivery authority that are not currently represented by any employee organization plainly

indicating that the signatories wish to be represented for collective bargaining purposes by the petitioner rather than by any other organization, or a combination of those, the commissioner shall conduct a secret ballot election to determine the wishes of the majority. The election must be conducted within 45 days of receipt or final decision on any petitions filed pursuant to subdivision 2, whichever is later. The election is governed by section 179A.12, where not inconsistent with other provisions of this section.

Subd. 4. **Decertification.** The commissioner may not consider a petition for decertification of an exclusive representative certified under this section for one year after certification, unless section 179A.20, subdivision 6, applies.

Subd. 5. **Continuing contract.** (a) The terms and conditions of collective bargaining agreements covering the employees of service delivery authorities remain in effect until a successor agreement becomes effective or, if no employee organization petitions to represent the employees of the service delivery authority, until six months after the establishment of the service delivery authority.

(b) Any accrued leave, including but not limited to sick leave, vacation time, compensatory leave or paid time off, or severance pay benefits accumulated under policies of the previously employing county or a collective bargaining agreement between the previously employing county and an exclusive representative shall continue to apply in the newly created service delivery authority for the employees of the previously employing county. An employee who was eligible for the benefits of the Family and Medical Leave Act at the previously employing county shall continue to be eligible at the newly created service delivery authority.

(c) If it is necessary, prior to the negotiation of a new collective bargaining agreement, to lay off an employee of a service delivery authority and if two or more employees previously performed the work, seniority based on continuous length of service with a service delivery authority member county shall be the determining factor in determining which qualified employee shall be offered the job by the service delivery authority. An employee whose work is being transferred to the service delivery authority shall have the option of being laid off.

Subd. 6. **Contract and representation responsibilities.** (a) The exclusive representatives of units of employees certified prior to the creation of the service delivery authority remain responsible for administration of their contracts and for other contractual duties and have the right to dues and fair share fee deduction and other contractual privileges and rights until a contract is agreed upon with the service delivery authority. Exclusive representatives of service delivery authority employees certified after the creation of the service delivery authority are immediately upon certification responsible for bargaining on behalf of employees within the unit. They are also responsible for administering grievances arising under previous contracts covering employees included within the unit that remain unresolved upon agreement with the service delivery authority on a contract. Where the employer does not object, these responsibilities may be varied by agreement between the outgoing and incoming exclusive representatives. All other rights and duties of representation begin upon the creation of a service delivery authority, except that exclusive representatives certified upon or after the creation of the service delivery authority shall immediately, upon certification, have the right to all employer information and all forms of access to employees within the bargaining unit which would be permitted to the current contract holder, including the rights in section 179A.07, subdivision 6. This section does not affect an existing collective bargaining contract. Incoming exclusive representatives are immediately, upon certification, responsible for bargaining on behalf of all previously unrepresented employees

assigned to their units.

(b) Nothing in this section prevents an exclusive representative certified after the effective dates of these provisions from assessing fair share or dues deductions immediately upon certification if the employees were unrepresented for collective bargaining purposes before that certification.

History: *1Sp2011 c 9 art 9 s 13*

402A.45 [Repealed, 1Sp2011 c 9 art 9 s 19]

402A.50 PRIVATE SECTOR FUNDING.

The council may support stakeholder agencies, if not otherwise prohibited by law, to separately or jointly seek and receive funds to provide expert technical assistance to the council, the council's work group, and any subwork groups for executing the provisions of the redesign.

History: *2009 c 79 art 9 s 8*